



ABSTRACT

Grants – State Finance Commission Grants 2013-14 - Release of Grants to Rural Local Bodies – Infrastructure Gap Filling Fund - Release of balance amount of Rs.151,38,47,000/- available under Infrastructure Gap Filling Fund and issuing of Guidelines for utilising the Infrastructure Gap Filling Fund vested with the Director of Rural Development and Panchayat Raj and District Collectors –Orders issued.

Rural Development and Panchayat Raj (PRI) Department

G.O.(Ms)No.134

Dated 19.9.2013.

Read:

1. G.O.(Ms) No.182 Rural Development and Panchayat Raj (C2) Department dated 2.11.2007.
2. From the Director of Rural Development and Panchayat Raj Letter No.26679/2013/PRI 3.3 dated 12.4.2013.
3. G.O.(Ms) No.194 Finance (FC-IV) Department dated 10.6.2013.
4. G.O.(Ms) No.78 Rural Development and Panchayat Raj (PR-I) Department dated 15.7.2013.
5. From the Director of Rural Development and Panchayat Raj Letter No.26679/2013/PRI 3.3 dated 17.8.2013.

ORDER:

In the Government order first read above, orders were issued framing the guidelines for sanction and execution of work from Infrastructure Gap Filling Fund vested with the Director of Rural Development and Panchayat Raj and the District Collectors based on the recommendations of the third State Finance Commission. In the letter second read above, the Director of Rural Development and Panchayat Raj has sent the guidelines for sanction and execution of work from the Infrastructure Gap Filling Fund vested with him as well as the Infrastructure Gap Filling Fund vested with the District Collectors. In the Government order third read above, it has been ordered that 10% of the devolution to rural local bodies shall be deducted from the share of village panchayats and allocated towards Infrastructure Gap Filling Fund (IGFF) for

village panchayats and it shall be utilized on project / scheme basis only. It has also been ordered that out of the Infrastructure Gap Filling Fund, 50% shall be allocated towards Tamil Nadu Village Habitations Improvement Scheme (THAI) and from the remaining 50% of the Fund, a part of the amount shall be allocated to the Director of Rural Development for providing basic amenities in the Districts and the balance shall be allocated to the Districts based on population and the District Collectors shall utilize the funds for the same purpose.

2. In the Government order fourth read above, among others orders have been issued to apportion the Infrastructure Gap Filling Fund for the year 2013-14 as follows:-

Amount in Rs.

1	Out of the 10% Infrastructure Gap Filling Fund of Rs.488,76,94,000/-, 50% amount earmarked for Tamil Nadu Village Habitations Improvement Scheme (THAI) Scheme.	244,38,47,000
2	Out of the balance amount of Rs.244,38,47,000/-, amount allocated to District Collectors at the rate of Rs. 3 crore per district (Rs. 3 crore x 31 districts)	93,00,00,000

It was also ordered in the said Government Order that orders on releasing the balance amount of Rs.151,38,47,000/- available under Infrastructure Gap Filling Fund of State Finance Commission Grant 2013-14 will be issued separately.

3. Now, the Director of Rural Development and Panchayat Raj in his letter fifth read above, has requested the Government to sanction the balance amount of Rs.151,38,47,000/- available under Infrastructure Gap Filling Fund of State Finance Commission Grant for 2013-14 as per the existing sharing pattern of 75 : 25 between the District Collectors and the Director of Rural Development and Panchayat Raj and also sent the revised guidelines for utilizing the Infrastructure Gap Filling Fund.

4. The Government have carefully examined the proposal of the Director of Rural Development and Panchayat Raj and after careful examination, the Government sanction an amount of Rs.151,38,47,000/- (Rupees one hundred and fifty one crores thirty eight lakhs forty seven thousands only). The balance available under Infrastructure Gap Filling Fund of State Finance Commission Grant for the year 2013-14 is as follows:-

Amount in Rs.

(i)	Out of the balance amount of Rs.151,38,47,000/-, 75% to be allocated to the District Collectors based on population to provide basic amenities in rural areas.	113,53,85,250
(ii)	Out of the balance amount of Rs.151,38,47,000/-, 25% to be retained by the Director of Rural Development and Panchayat Raj for providing basic amenities in rural areas.	37,84,61,750

5. The Director of Rural Development and Panchayat Raj is authorized to draw and release the amount to be released to the District Collectors and to retain the balance amount at State level.

6. The amount sanctioned in para 4 above shall be debited to the following head of account:-

"3604-00-Compensation and Assignments to Local Bodies and Panchayat Raj Institutions – 198. Assistance to Gram Panchayats – AC – Infrastructure Gap Filling Fund for Rural Local Bodies – 09. Grants-in-Aid-02. Grants for Creation of Capital Assets (DPC : 3604 00 198 AC 0923)".

7. Necessary additional funds to the tune of Rs.151,38,47,000/- will be provided in Revised Estimate (RE) / Final Modified Appropriation (FMA) 2013-14 under the head of account as detailed below:-

(Rupees in thousands)

Head of account	BE 2013-14	Additional funds (ASL No.742)	Additional funds over and above BE / ASL	Total Provision
3604 00 198 AC 0902	236,88,47	100,50,00	151,38,47	488,76,94

Pending provision of such funds in Revised Estimate / Final Modified Appropriation 2013 -14, the Director of Rural Development and Panchayat Raj is authorized to draw and disburse the amount sanctioned in para 4 above. The Director of Rural Development and Panchayat Raj should include the additional expenditure of Rs.151,36,47,000 while sending the proposal to Government for inclusion of Revised Estimate / Final Modified Appropriation without fail. However this expenditure shall be brought to the notice of legislature by specific inclusion in the Supplementary Estimate 2013-14. The Director of Rural Development and Panchayat Raj is also requested to send necessary draft explanation note to Government in Finance (BG II) Department for inclusion of the Supplementary Estimate.

8. The Government in supersession of the guidelines issued for utilizing the Infrastructure Gap Filling Fund in the Government Order first read above, now issue the following guidelines for utilizing the Infrastructure Gap Filling Fund vested with the Director of Rural Development and Panchayat Raj and the District Collectors:-

I. Guidelines for sanction and execution of work from the Infrastructure Gap Filling Fund (IGFF) vested with the Director of Rural Development and Panchayat Raj

The funds allocated to the Director of Rural Development and Panchayat Raj shall be utilized in consultation with the Principal Secretary to Government, Rural Development and Panchayat Raj Department as follows:-

1. The funds shall be utilised to undertake works towards creation of basic infrastructure only in rural areas.
2. The Director of Rural Development and Panchayat Raj should obtain detailed estimate and a certificate to the effect that sufficient land is available to execute the work along with the proposals from the District Collectors concerned.
3. The works sanctioned under this fund will be entrusted to District Collectors for implementation who shall execute these works through the Block Development Officer (Village Panchayats), Block Development Officer (Block Panchayats) or the Village Panchayat concerned as deemed fit. Appropriate tender procedure will be followed for execution of these works. No work shall be entrusted to line departments such as Public Works Department (PWD), Highways, Agriculture Engineering, Tamil Nadu Water Supply and Drainage Board (TWAD) etc., for execution. However installation of street light works can be entrusted to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).
4. The funds will be released to the District Collectors immediately after sanction of works. The Collectors should submit the Utilisation Certificate to the Director of Rural Development and Panchayat Raj on completion of work.
5. The Director of Rural Development and Panchayat Raj must complete the procedure of giving administrative sanction before the end of February. The balance unsanctioned amount available as on 1st March of the year will be distributed by the Director of Rural Development and Panchayat Raj to the Village Panchayats as per 2011 Census along with the installment for the month of March of State Finance Commission grant to the Village Panchayats based on population.

6. The Principal Secretary to Government, Rural Development and Panchayat Raj Department is authorized to modify any of the above provisions in consultation with the Director of Rural Development and Panchayat Raj based on exigencies that may arise from time to time.

II. Guidelines for sanction and execution of work from the Infrastructure Gap Filling Fund (IGFF) vested with the District Collectors.

1. The amount released to the Districts under Infrastructure Gap Filling Fund shall be kept in a separate bank account in the Assistant Director (Panchayats) Office and shall be operated by the District Collector.
2. This fund shall be used to take up infrastructure development works in rural areas.
3. Works that are not permitted under the State schemes of Member of Legislative Assembly Constituency Development Scheme (MLACDS), Self Sufficiency Scheme (SSS) and Tamil Nadu Village Habitations Improvement Scheme (THAI) are also banned under this component. In addition, individual beneficiary oriented works such as repair of Group Houses which are specifically permitted under MLACDS are not permitted to be taken up under Infrastructure Gap Filling Fund.
4. In order to give flexibility to the Collectors in the selection of works, no minimum value is fixed for each work. However, the Collectors should ensure that while sanctioning works they take up substantial works as far as possible and piece-meal works should be avoided. (e.g) If a road work is sanctioned, the entire length of the damaged road should be taken up instead of taking up only a stretch of the damaged road.
5. The District Collectors should obtain detailed estimates and a certificate to the effect that sufficient land is available to execute the work from the Block Development Officer concerned before according administrative sanction.
6. The District Collectors shall entrust the execution of works to Block Development Officer (Village Panchayats), Block Development Officer (Block Panchayats) or the Village Panchayat concerned as deemed fit who shall execute the works following appropriate tender procedure. The works shall not be entrusted to line departments such as Public Works Department, Highways, Agriculture Engineering, Tamil Nadu Water Supply and Drainage Board, etc., for execution. However installation of street light works can be entrusted to Tamil Nadu Generation and Distribution Corporation Limited.
7. Priority shall be given to the THAI habitations where there are gaps in provision of basic amenities such as water supply, street lights, roads, burial grounds, path way to burial grounds etc. The SC/ST habitations should be given more priority while considering THAI Villages.

8. Priority may be given to those Village Panchayats who are doing good work in making their panchayat open defecation free by 2015
 9. Priority may be given for the upgradation of Earthen and Gravel roads to BT standard, since the Government has declared to upgrade all the non-BT roads to BT standard.
 10. The District Collectors may also utilize the funds for payment of long pending electricity charges payable by the Village Panchayats to the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and for the water charges to be paid to Tamil Nadu Water Supply and Drainage Board (TWAD) in respect of Panchayats which are financially weaker.
 11. Solar power systems may be installed in the Village Panchayat / Panchayat Union Office Buildings using Infrastructure Gap Filling Fund with the technical guidance of Tamil Nadu Energy Development Agency (TEDA).
 12. Permanent restoration of public buildings may be taken up from the Infrastructure Gap Filling Fund as an one time affair. Regular maintenance and repair works should not be undertaken from this fund.
 13. The District Collectors should complete the procedure of giving administrative sanction for works out of the amount and release the funds to the executing agency before the end of February. The balance unallocated amount available with the District Collector as on 1st March of the year, shall be transferred to the State Finance Commission Village Panchayat account and shall be released to the Village Panchayats along with the State Finance Commission grant for the month of March based on population.
 14. The Collectors should submit the Utilization Certificate to the Director of Rural Development and Panchayat Raj after completion of the work.
 15. The Principal Secretary to Government, Rural Development and Panchayat Raj Department is authorized to modify any of the above provisions in consultation with the Director of Rural Development and Panchayat Raj based on exigencies that may arise from time to time.
9. The Director of Rural Development and Panchayat Raj is directed to ensure that the Infrastructure Gap Filling Fund is utilized on project / scheme basis only as per the orders issued in the Government Order third read above.

10. This order is issued with the concurrence of Finance Department, vide its U.O. No.46509/RD/13 dated 12.9.2013 and Additional Sanction Ledger (ASL) No.1108 (One thousand one hundred and eight).

(BY ORDER OF THE GOVERNOR)

C.V. SANKAR
Principal Secretary to Government

To

The Director of Rural Development and Panchayat Raj, Chennai – 15.

All District Collectors (Except Chennai)

All Project Directors, District Rural Development Agencies,

The Accountant General, Chennai – 18/35.

The Pay and Accounts Officer (South), Chennai – 35.

All District Treasury Officers

The Pay and Accounts Officer, Madurai.

Copy to:

Finance (RD / BG II / BG I / FC.IV/W & M) Department, Chennai – 9.

Rural Development and Panchayat Raj (SGS I /SGS II/ SGS III/OPII) Department,
Chennai – 9.

// Forwarded / By Order //


Section Officer. 20/9/13

